

University of the Highlands and Islands

Equal Pay and Gender Pay Gap Report

April 2019

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Contents	Page
Introduction	3
Equal pay within the university	5
Equal pay report 2019	5
Table 1: Equal Pay Analysis by grade (all staff)	7
Table 2: Equal Pay Analysis by grade (academic staff)	7
Table 3: Equal Pay Analysis by grade (professional services staff)	8
Gender Pay report 2019	9
Race and Disability pay gaps	12
What we are going to do next	12

Introduction

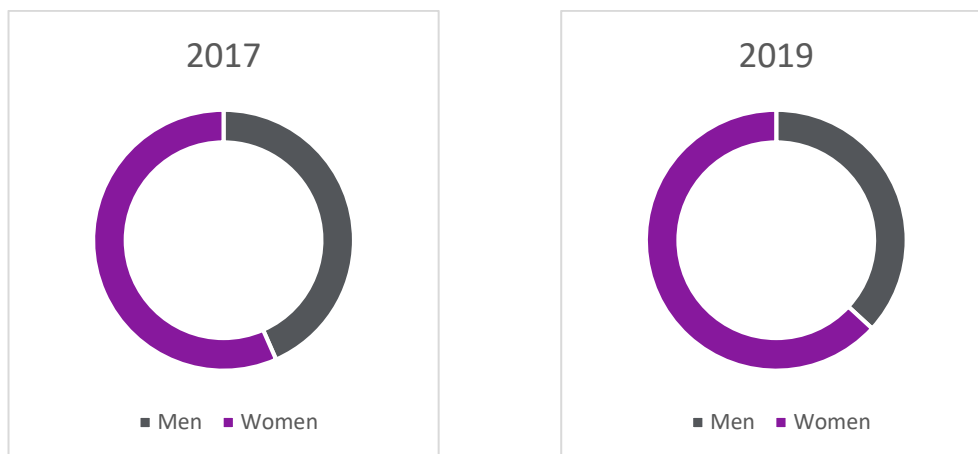
The University is committed to providing equal pay for all our employees, as set out in our Equal Pay Policy. We conduct regular Equal Pay Reviews and publish Gender Pay Gap data on a biennial basis to ensure that we pay our staff fairly, equitably and without discrimination.

The two methods of reporting are very different:

- Equal Pay reporting is concerned with identifying and eliminating unjustified inequalities between the pay of specific groups of people performing like work, equivalent work or work of equal value.
- Gender Pay Gap reporting measures the difference between the average hourly pay of all men and all women, irrespective of their job role, seniority or mode of employment.

This report outlines the University's position as at 31 January 2019. The data in it was calculated using the standard methodologies set out in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Since we last reported, the workforce of the University has increased by over 50%, from 218 in 2017 to 336; the majority (76%) of those appointed have been women.



As a result, 64.3% of the University's employees are female and 35.7% are male. In 2017, the respective percentages were 57.8% and 42.2%.

We are encouraged that our Equal Pay Review demonstrates that the University provides equal pay for work of equal value. However, our most recent Gender Pay return shows a mean gender pay gap of 22%, meaning that women are paid, on average, less than men.

We are confident that this gender pay gap does not stem from paying men and women differently for work of equal value, but is instead the result of the different types and seniorities of the roles in which men and women tend to work and the pay that these roles attract. The Office for National Statistics has published an [article](#) that provides more insight into the factors that affect the pay of men and women.

Equal pay within the university

The university's equal pay policy statement was updated in 2017 to encompass equal pay in respect of ethnicity and disability as well as gender. As we improve our recording and reporting capabilities, we will incorporate the remaining protected characteristics in future years.

The university continues to use an analytical job evaluation scheme for the determination of the grading of all roles, with the exception of those for senior staff, for which the Remuneration Committee retains responsibility for determining the remuneration package.

Equal pay report 2019

We have undertaken biennial reviews of the distribution of roles against the grading structure to assess its effectiveness. For this report, the analysis is presented in three tables detailing the whole organisation (table 1) and the two occupational groups; academic staff (table 2) and professional services (table 3). The figures in parentheses represent a gender pay gap in favour of women.

This latest analysis shows that for the majority of roles subject to the job evaluation process (Grade 3 - 8) there remains little difference in the mean salary level. The three areas of concern in the 2017 data, namely Grades 6, 7 and 8 have all seen a positive impact upon the gender pay gap in the intervening years.

However, there are a number of instances where the pay gap continues to exceed 5% and warrants further investigation.

The pay gap for Grade 3, which is mirrored in both the all staff and professional services tables, as all Grade 3 staff are employed in professional services. Here there has been a noticeable increase in favour of women, from nil to 12.9%. On review, this increase was because we had recruited male staff at Grade 3, where we previously had none. Analysis of the posts showed that female staff were predominantly long-serving members of staff who had now progressed to the top of the grade. However, the recent male recruits were appointed at the bottom of the pay scale - in line with our published appointment process -, which recommends placement on one of the first three points of the grade.

Analysis of the pay gap for academic staff on Grades 5, 7 and MG 1 ((6.8%) 5.9% and 5.3% respectively) can be attributed to the appointment of female academics at these levels where previously we had none. Given that there were previously no female academics at these levels, there was no prior gap.

Those senior roles for which the Remuneration Committee retains responsibility still show significant pay gaps. Men currently hold four of the six senior roles (including those of Vice Chancellor and Deputy Vice Chancellor, which are the highest paid positions in the institution); this is why there is such a disparity in the amount of pay. The reversal in the all staff pay gap and increase in the professional services pay gap in favour of women between the reports is attributable to changes in the distribution of female staff within this group. Even though there is a pay gap across the senior staff, where males and females are performing work of equal value the pay is the same.

Table 1: Equal Pay Analysis by grade (all staff)

Grade	Pay Gap % (2017)	Pay Gap % (2019)
EO 3	Nil	(12.9)
EO 4	(1.0)	1.08
EO 5	1.8	(1.8)
EO 6	0.5	2.44
EO 7	5.6	1.4
EO 8	3.0	2.3
MG 1	(0.8)	3.5
Senior Staff	(17.7)	7.8

Table 2: Equal Pay Analysis by grade (academic staff)

Grade	Pay Gap % (2017)	Pay Gap % (2019)
EO 3	N/A	N/A
EO 4	N/A	N/A
EO 5	Nil	(6.8)
EO 6	5.9	0.2
EO 7	Nil	5.9
EO 8	6.2	2.1
MG 1	Nil	5.3
Senior Staff	27.6	28

Table 3: Equal Pay Analysis by grade (professional services staff)

Grade	Pay Gap % (2017)	Pay Gap % (2019)
EO 3	Nil	(12.9)
EO 4	(1.0)	1.1
EO 5	1.7	(1.5)
EO 6	(0.3)	3.0
EO 7	5.6	(0.8)
EO 8	1.5	2.2
MG 1	0.6	(3.3)
Senior Staff	(18.9)	(35.5)

Gender Pay report 2019

Whilst we are pleased that we pay male and female colleagues equally to do work of equal value, across our workforce there is an undeniable discrepancy with regards to the gender pay gap. As you will see from the data we present here, there are currently more female staff employed in lower grades, which is a main contributing factor to our gender pay gap. This is a situation that we are investigating to ensure that we provide equality of opportunity for all our employees, and to identify measures to mitigate the gap.

While this appears to be a challenge across society in general, our focus is now is on determining the causes as to why specific occupations within the University attract one gender over another, thereby contributing to the gap, and where possible to enact measures to address this. This report contains a number of new and ongoing actions that will enable us to close the gap.

The Gender Pay Gap is the percentage gap in the average (mean) and middle values (median) of salaries, including bonus payments, of men and women based on standard hourly rates of pay. Within the university these figures are:

Pay Gap	2017	2019
Mean	32%	22%
Median	23.3%	13.7%

To put this into context, the Universities & Colleges Employers Association reports that in 2018, the mean gender pay gap across the higher education sector was 14.9% and the median gender pay gap across the higher education sector was 13.7%.

The main reason we can identify for our median pay gap being significantly lower than our mean pay gap is that a considerable number of the highest paid employees are male and this has a significant impact in making the mean hourly rate of pay for male employees higher than it would otherwise be. The methodology for calculating the median hourly rate of pay is such that these salaries have a negligible impact on the median rate.

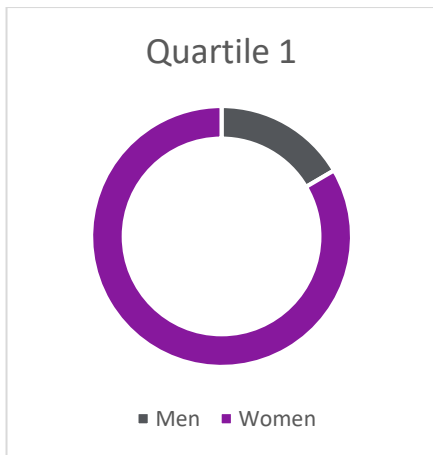
The impact that this group has on the gender pay gap data is also highlighted when we look at the pay gap across the grade structure. Within Grades 3 - 8, the mean gender pay gap has

fallen from 14% to 7.2% and from 17.7% to 9.4% when those employees in management grade 1 are factored in.

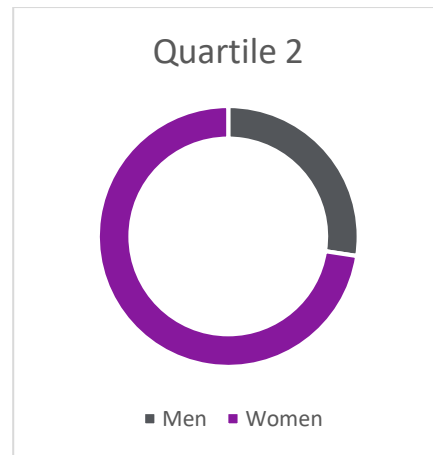
The respective median gender pay gaps for these groups are 11% (down from 13.7%) and 8.5% (down from 16.2%). As in 2017, it is noticeable that the median salary level for women remained unchanged; whilst the level for men increased across all three groups by 6%, (previously there was an 11% difference).

Whilst the statutory reporting duty also requires organisations to report their gender pay gap on bonus pay, this is a far less relevant statistic for the University than the hourly rate of pay as bonuses are not an integral part of our employee remuneration practices. In fact, no member of staff has received a bonus payment since the previous gender pay report was published.

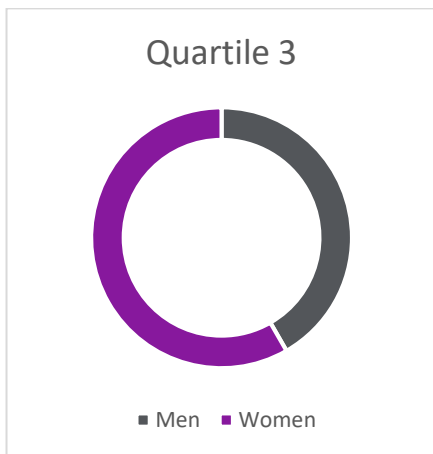
The gender distribution in each of the four-quartile pay bands, where the Quartile 1 represents the lowest salaries and Quartile 4 represents the highest salaries are detailed overleaf:



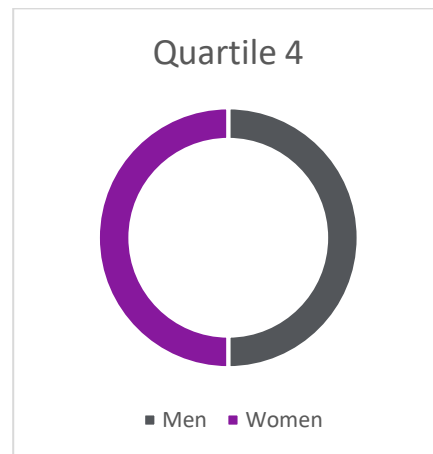
Range: Grade 3 to Grade 5
Mean Gender Pay Gap: (0.54)%



Range: Grade 5 to Grade 6
Mean Gender Pay Gap: 2.91%



Range: Grade 6 to Grade 8
Mean Gender Pay Gap: 0.28%



Range: Grade 8 and above
Mean Gender Pay Gap:
19.37%

The upper quartile pay band is the only quartile where the percentage of female employees does not exceed the percentage of male employees.

Almost 75% of employees in the lower quartiles are female, whereas only 54% of employees in the higher quartiles are female. These two statistics most clearly illustrate why we have a gender pay gap. Female employees are over-represented in the lower pay grades and under-represented in the higher pay grades.

Part-time working may also be a factor in explaining our gender pay gap. 32.9% of our female employees are part-time compared to only 9.2% of our male employees. The biggest

concentration of part-time workers are in our lower quartiles, where 34.5% of employees are part-time. This is in stark contrast to the highest quartiles where only 14.3% of employees are part-time. What these figures show is a strong correlation between female employees and part-time working, coupled with a strong concentration of part-time jobs on the lower pay grades. The impact of part-time jobs on the size of our gender pay gap is evident when one considers that if our gender pay gap were to be calculated solely by reference to our full-time employees the figures would reduce to 18.8% at the mean and 8.2% at the median in favour of male employees.

Race and Disability pay gaps

At the time of the data collection, the university employed only three staff (two men, one woman) who regard themselves as not being white Scottish or white other, which results in a positive race pay gap in favour of BAME staff of 14% across the institution, a 10.4% pay gap for men and a positive pay gap of 46% for women.

Only five staff (three men, two women) declared that they had a disability, which results in a mean disability pay gap of 14.7% for all staff, 30% for men and 0.2% for women.

Whilst the data gives an indicative position, the small number of staff in these respective groups means that any future recruitment/resignation or declaration of status could significantly alter our pay gap figures in future years.

We will review our recruitment practices to ensure that we are not unconsciously placing barriers to candidates from these groups and encourage staff to view the positive benefits of declaring any disability to the university.

What we are going to do next

Work still needs to continue to eliminate the pay gap, though this lies less in the structural framework of pay and more in the recruitment and development of women, particularly into our most senior posts. To do this we plan to:

- Continue to focus on professional and personal development with increased emphasis on women's leadership development, working both within the UHI network and with external partners such as Advance HE.
- Deliver our Athena SWAN Charter action plan to address unequal gender representation across academic disciplines and professional functions.
- Continue to move to modern, flexible working for professional services staff, supported by an agile working climate and good mobile technology, which will increase our ability to recruit and retain staff that require flexibility to meet family and other commitments.

In addition, we will:

- keep the operation of our appointment process under review to ensure that its application is not creating unnecessary barriers to our reducing the gender pay gap.
- engage with the Remuneration Committee to review and confirm the process and transparency by which they determine senior staff salaries.
- review the academic role profiles and career pathways we have in place to ensure they are not contributing to the furtherance of these pay gaps.
- seek accreditation by the Living Wage Foundation.